AGMO HOLDINGS BERHAD

[Registration No. 201701000550 (1214700-W)]

DIRECTORS' FIT AND PROPER POLICY

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1. DEFINITIONS

"The Company"	:	Agmo Holdings Berhad
"Board"	:	Board of Directors of the Company
"NC"	:	Nomination Committee
"Group"	:	The Company and its subsidiaries
"Responsible Person(s)"	:	The existing directors or candidates for nomination or appointment or re-election as director of the Group, as the case may be.
"Policy"	:	The Directors' Fit and Proper Policy of the Group

2. PURPOSE

The purpose of this Policy is to set out the Group's approach to the assessment of fitness and propriety of Responsible Persons to ensure they have the character, experience, integrity, competence and commitment of time to effectively discharge their roles and responsibilities which includes diligence, honesty and judgement to perform properly the duties of that position, in tandem with good corporate governance practices. This policy is designed to be a risk treatment plan for the risks posed to the Company from having persons who are not fit and proper acting in a responsible person position.

Policy Statement

With a view to achieve sustainable development, the Group is committed to the highest standard of integrity, openness, and accountability in the conduct of its businesses and operations. This Policy is intended to address the governance of the quality and integrity of the Responsible Persons.

3. RESPONSIBILITY

3.1 The Board's Commitment and Responsibility

In the application of this Policy, the Board and NC are primary responsible in ensuring that all Responsible Persons fulfil the fit and proper criteria and requirements and conduct assessment for fitness and propriety of Responsible Persons. Ultimately, the Board will make all final determination on their fitness and propriety.

3.2 The NC's Responsibility

The NC is responsible for the following:-

(a) Conducting assessment of existing director(s) and/or potential/new candidate(s) to stand for nomination, appointment, and/or re-election as director(s) of the Company and make recommendations to the Board on these matters;

(b) Ensuring that appropriate fit and proper assessments are carried out for each Responsible Person;

(c) Reporting to the Board about any matters that are relevant to a particular assessment of a Responsible Person's fitness and propriety;

(d) Providing information to the Board on matters concerning the criteria and procedure for fit and proper assessments including addressing any gaps in the assessment; and

(e) Ensuring that the Group takes all reasonable steps to protect the information and documents collected for fit and proper assessments from misuse, unauthorised access, modifications or disclosure.

4. FIT AND PROPER STANDARDS

The NC shall periodically propose potential/new candidates to the Board. For the assessment of all Responsible Persons, the NC shall be using the principles underpinning the criteria listed below to assess the suitability of the candidates prior to recommending to the Board for the appointment and reappointment as well as the fitness and propriety of the Responsible Persons.

The assessment shall have regard to the considerations set out below.

4.1 Fit and Proper Criteria

For the purpose of establishing whether a person is fit and proper to hold the Responsible Person position, the Company shall have regard to the person's:-

(a) Character and Integrity – probity, honesty, accountability, transparency, personal integrity, financial integrity and reputation.

(b) Experience and Competence – qualifications, training and skills, relevant experience and expertise, relevant past performance or track record.

(c) Time and Commitment – the ability to discharge a role dutifully in light of other commitments and effectively participate during board meetings.

The assessment to the above criteria shall have regard to the considerations set out below in paragraph 4.1.1.to 4.1.3 of this Policy.

4.1.1 Character and Integrity

In assessing the person's character and level of integrity to hold the position as director or key officers, the NC and the Board should consider matters including, but not limited to the following:-

Probity

(a) Whether the person has complied with legal obligations, regulatory requirements and professional standards and has not been the subject of any legal or disciplinary proceedings either civil or criminal in nature; and

(b) Whether the person has at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities resulting in a failure or potential failure to comply with legal, regulatory and professional requirements and standards, including but not limited to compliance with tax requirements and obligations.

Personal Integrity

(a) Whether the person has perpetrated or participate in any business practices which are deceitful, oppressive improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct;

(b) Whether the person had been terminated, asked to resign or has resigned from the employment in the past due to personal integrity; and

(c) Whether the person had abuse other positions (i.e. political appointment) to facilitate government relations for the company in a manner that contravenes the principles of good governance.

Financial Integrity

(a) Whether the person manages personal debts or financial affairs satisfactorily;

(b) Whether the person demonstrated ability to fulfill personal financial obligations as and when they fall due, either in Malaysia or elsewhere;

(c) Whether the person has substantially involved in the business or company in a management which has failed, gone into receivership. Insolvency or involuntary liquidation due to incompetence and deficiencies in that management; and

(d) Whether the person is financially healthy, is not an undischarged bankrupt or been a subject of a judgement debt which has not been satisfied in whole or in part.

Reputation

(a) Whether the person is of good repute in the society financial and business community;

(b) Whether the person has been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past ten (10) years, either in Malaysia or elsewhere; and

(c) Whether the person has been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.

4.1.2 Experience and Competence

Experience and competence are demonstrated by a person who possesses the relevant education, knowledge, ability, experience and competence to understand the technical requirements of the business and the management process required to perform his role as a Responsible Person in the relevant capacity effectively.

In assessing the person's experience and competence, the NC and the Board should consider matters including, but not limited to the followings;-

Qualifications, training and skills

(a) Whether the person has the appropriate education qualification and/or training that is relevant to the skill set that the director is earmarked to bring onto the boardroom (i.e. match the board skill set matrix);

(b) Whether the person has satisfactory past performance or expertise and/or had experience in leading or driving governance, business performance or operations with a good past performance track record gathered from board effectiveness evaluation;

(c) Whether the person possesses general management skills as well as understanding of corporate governance and sustainability issues;

(d) Whether the person keeps abreast of knowledge based on continuous professional development; and

(e) Whether the person possesses management and leadership capabilities and a high level of emotional intelligence.

Relevant experience and expertise

(a) Whether the person possesses relevant experience and expertise with due consideration given to past length of service, nature and size of business, responsibilities held, number of subordinates as well as reporting lines and delegated authorities.

Relevant past performance or track record

(a) Whether the person had a career of occupying a high-level position in a comparable organisation, and was accountable for driving or leading the organisation's governance, business performance or operations; and

(b) Whether the person possesses commendable past performance record as gathered from the results of the board effectiveness evaluation

4.1.3 Time and Commitment

In assessing the person's time and commitment, the NC and the Board should consider matters including, but not limited to the following:-

Ability to discharge a role having regard to other commitments

(a) whether the person is able to devote time as a board member, having factored in other outside obligations including concurrent board positions held by the director across the company and other listed or non-listed companies (including not-for-profit organisation); and

(b) whether the person is capable of carrying out the role and responsibilities of the position, demonstrates passion as a director, and actively exhibits the ability to articulate views independently, objectively, and constructively in board meetings; and

Participation and contribution in the board

(a) demonstrates willingness to participate actively in board activities;

(b) demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;

(c) manifests passion in the vocation of a director;

(d) exhibits ability to articulate views independently, objectively and constructively; and

(e) exhibits open mindedness to the views of others and ability to make considered judgement after hearing the views of others.

5. ASSESSMENT PROCESS

5.1 Assessment Process

The process for assessing the fitness and propriety of the Responsible Person(s) entails the following steps:-

Appointment of New Director	Existing Director
• Identification of skills applicable/ required for new candidates; • Selection of candidates;	• Re-appointment and/or evaluation of existing directors, as the case maybe;
• "Fit and Proper" assessment by the NC based on the criteria in paragraph 4 above;	

• The NC's evaluation, deliberation and confirmation that the Responsible Person is fit and proper for the Board and the Group's purposes as per Appendix;	
• Interaction with the new candidate(s), if required;	• Interaction between existing directs
• Recommendation by NC for the Board's approval; and	
• Decision by the Board on the recommended appointment of the new director.	• Decision by the Board on the recommended re-appointment/ evaluation of the existing director, as the case may be.

All Responsible Persons will be provided with a copy of this Policy prior to their appointment and at the commencement of any further assessment.

5.2 Fit and Proper Criteria and Prudent Judgement

The Company will make its decision based on the provision of information as outlined within this Policy. The Company will also make reasonable enquiries to obtain relevant information that can be taken into account in making a fit and proper assessment, in addition to the self-assessment forms completed by the Responsible Person(s) and potential Responsible Person(s). The information can include a person's formal qualifications and attainments, curriculum vitae, referee reports obtained as part of a recruitment process, and any other publicly available information that is relevant to the fit and proper criteria.

5.3 Failure to be Fit and Proper

Where a person is found to be not fit and proper due to lack of character, diligence, honesty, integrity or judgement, or is found to be misleading on deceptive, the Board has the power to take appropriate action.

5.4 Disclosure of Information Relevant to a Fit and Proper Assessment

All Responsible Persons are required to disclose to the Company all information that may be relevant to a fit and proper assessment. The Company will take all reasonable steps to ensure compliance with Personal Data Protection Act in collecting and using the information about the Responsible Person(s) collected as part of the assessment process.

Conflict of interest are required to be disclosed by all Responsible Persons prior to the appointment and ongoing basis, or for directors, being provided with the opportunity to declare any interests at each Board meeting.

All information provided by the Responsible Person must be true, accurate and complete for submission to the NC and/or Company

6. DOCUMENT RETENTION AND REPORTING

The Company will keep on file information related to the fit and proper assessment of all current and recently past Responsible Persons.

7. DISCLOSURE OF THIS POLICY

This Policy will be published on the Company's website for public information.

8. REVIEW OF THIS POLICY

This Policy shall be reviewed periodically or as and when necessary. The NC will discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

This Policy was reviewed and approved by the Board on 30 June 2022.